

**SECRET**

28 JUN 1963

OXC-5154

Copy 1 of 3

## MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Contract [REDACTED]

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1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 7.

2. Contract [REDACTED] covers the procurement of the installation special fuel facilities at Kadena AFB, Okinawa. These generally consist of a small tank farm at the Air Base and larger storage and loading facilities at the Port of Naha. Contractor has agreed to accomplish this work at no profit; however, a factor of [REDACTED] has been included in the total price of [REDACTED] to cover its overhead costs such as supervising personnel, accounting, contract administration, and engineering design and support. The balance of costs are primarily construction, subcontract and material costs. The Corps of Engineers is essentially on a subcontract basis for the actual construction which amounts to approximately [REDACTED]

3. The contract is being issued on a fixed price redeterminable basis on the event the construction cost varies or minor changes are required. However, since no accurate records of [REDACTED] engineering or administrative people will be available, the [REDACTED] is excluded from redetermination. The contract Ceiling Price has been established at [REDACTED] of the Contract price or [REDACTED]

4. Contract [REDACTED] obligates an amount of [REDACTED] chargeable in FY-1963 to Project [REDACTED] Funds. By concurrence to this memorandum the Chief, Budget & Finance Branch, signifies that sufficient funds are available for this obligation.

5. The services and equipment being procured by this Contract [REDACTED] are in furtherance of the OXCART Program, the nature of which cannot be publicly disclosed for security reasons. The undersigned Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC-2122, signed by the DDCI on 25 October 1961.

DOCUMENT NO. \_\_\_\_\_  
 NO CHANGE IN CLASS. ☒  
☐ DECLASSIFIED  
 CLASS. CHANGED TO: TS S C 2011  
 NEXT REVIEW DATE: \_\_\_\_\_  
 AUTH: HR 70-2  
 DATE: 9 1981 REVIEWED: [REDACTED]

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5. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58 for each contract.

6. Concurrence in Contract  is recommended.

25X1

Contracting Officer *OSA*

25X1

CONCURRENCES:

C/BFB/OSA

28 JUN  
1963

DATE

JOHN PARANGOSKY  
D/Tech/OSA

29 June 1963  
DATE

OGC

29 June 63  
DATE

CD/OSA-DD/R:  sjj  
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